

# **GENERAL COUNSEL'S REPORT**

**August 28, 2013**

- D. Baptist Memorial Hospital for Women, Memphis (Shelby County), TN – CN1211-058A  
Update on status of and changes in the project, and if needed modifications of the CON to include two (2) additional floors of shelled space to be used for physician offices with a projected cost increase of \$3,409,200:

This project was presented on February 27, 2013 for the construction of an Emergency Department dedicated for pediatric patients and the initiation of magnetic resonance imaging (MRI) services with an estimated project cost of \$14,105,241. Mr. Doolittle moved for approval, Ms. Jordan seconded, the motion carried approved by unanimous vote 8-0.

# BUTLER | SNOW

July 31, 2013

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## VIA HAND DELIVERY

Jim Christoffersen, Esq.  
General Counsel  
Tennessee Health Services and Development Agency  
161 Rosa L. Parks Boulevard, 3<sup>rd</sup> Floor  
Nashville, TN 37203

RE: Baptist Memorial Hospital for Women, CN1211-058

Dear Mr. Christoffersen:

The purpose of this letter to provide to the Agency information regarding developments related to the project referenced above, and to request confirmation that the actions described below will not require modification of the certificate of need.

The project referenced above is the for the construction of a pediatric emergency department and to initiate MRI services on the campus of Baptist Memorial Hospital for Women ("BMHW"). The project was approved by the Agency at its meeting on February 27, 2013, with a total project cost of \$14,105,241.

Subsequent to approval of the project, it became apparent to BMHW that design for the emergency department construction should be modified to include two additional floors of shelled space to be used for physician offices. The existing physician office building on the BMHW campus is close to 100% occupancy and additional physicians are planning to move to the campus. BMHW concluded that addition of two floors for physician offices as part of the current construction would be significantly advantageous as compared to adding the floors later, because a later addition would be more expensive and be disruptive to patient care in the areas beneath the addition.

The two additional shelled floors will have approximately 14,205 square feet per floor, or a total of 28,410 square feet. Projected cost to construct these two floor is \$3,409,200. Even though the current intent is use the space for physician offices, the construction will be compliant with hospital specifications in case it later becomes necessary to use part of the space for hospital functions.

Since the intent is to use the additional floors described above for physician office occupancy, we believe that no modification of the certificate of need is required. BMHW

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understands if it should subsequently propose to use all or part of this space for hospital patient care it may be necessary to seek modification of the existing certificate of need or apply for an additional certificate of need, depending on the details relating to the proposed use. We would appreciate your confirming that our understanding is correct. In the alternative, if you believe that activity describe above requires Agency approval, we would appreciate your placing this matter on the agenda for the Agency's meeting scheduled for August 27, 2013.

Please let me know if you have any questions or need additional information. Thank you for your attention to this matter.

Very truly yours,

BUTLER, SNOW, O'MARA, STEVENS &  
CANNADA, PLLC

A handwritten signature in dark ink, appearing to be 'D. Elrod', written over a horizontal line.

Dan H. Elrod

clw

cc: Arthur Maples

STATE OF TENNESSEE  
Health Services and Development Agency



Certificate of Need No. **CN1211-058A** is hereby granted under the provisions of T.C.A. § 68-11-1601, *et seq.*, and rules and regulations issued thereunder by this Agency.

To: Baptist Memorial Hospital  
350 N. Humphreys Blvd.  
Memphis, TN 38120

For: Baptist Memorial Hospital for Women

This Certificate is issued for: The construction of an Emergency Department dedicated for pediatric patients and the initiation of Magnetic Resonance Imaging (MRI) services by relocating an existing MRI from Baptist Memorial Hospital that is being replaced by a wider bore unit.

On the premises located at: 6225 Humphreys Blvd.  
Memphis (Shelby County), TN 38120

For an estimated project cost of: \$14,105,241.00

The Expiration Date for this Certificate of Need is

April 1, 2016

or upon completion of the action for which the Certificate of Need was granted, whichever occurs first. After the expiration date, this Certificate of Need is null and void.

Date Approved: February 27, 2013

  
Chairman

Date Issued: March 27, 2013

  
Executive Director